GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3406
ANSWERED ON:11.12.2001
INVESTMENT IN OMAN INDIA FERTILIZER PROJECT
HARIBHAU MAHALE

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total amount likely to be invested on Oman India Fertilizer Project;

(b) the extent of investment likely to be made by India on this project;

(c) the per annum ammonia likely to be produced by this project; and

(d) the other details, if any, of the project?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI S.B. MOOKHERJEE)

(a)&(b): The estimated capital cost of Oman India Fertilizer Project is US$ 969 million.The Indian sponsors of the Project, namely, Indian Farmers Fertiliser Cooperative Ltd.(IFFCO) and Krishak Bharati Cooperative Ltd. (KRIBHCO), will make an investment of US$ 80 million each as equity in the project.

(c): The Project will produce approximately 11.9 lakh MT of Ammonia per annum out of which 2.48 lakh MT will be surplus, the rest being required for urea production.

(d): The Project is expected to produce approximately 16.52 lakh MT of granular Urea per annum. Oman has offered natural gas, main feedstock for the project at a competitive price of 0.77 US$ per million BTU for the first 10 years and with a suitableescalation clause thereafter. The debt equity ratio of the project is 67:33. The debt portion will be sourced from the international market.